

NATURAL RESOURCE COMMISSION[571]

Adopted and Filed

Pursuant to the authority of Iowa Code sections 455A.5(6)“a,” 456A.24(7), 461A.4(2) and 463C.17, the Natural Resource Commission hereby amends Chapter 14, “Concessions,” Iowa Administrative Code.

The amendment exempts the future management of Honey Creek Resort State Park (HCR), likely to be provided through third-party concession operators, from existing concession rules found in Chapter 14. HCR’s management shall be governed by competitively bid contracts. This is consistent with Iowa Code section 461A.4(2), the statute pertaining to concessions, and will provide a commercial enterprise more flexibility in managing HCR in a profitable and sustainable manner.

This exemption will serve the state in two ways: First, the Department of Natural Resources (DNR) believes this approach will allow a commercial enterprise more flexibility in managing HCR in a profitable and sustainable manner. This approach will support the economic base of the region and communities surrounding HCR. Second, this approach will ensure that a valuable state resource is maintained with minimal public financial and administrative resources. Both the National Park Service and many state park systems, including those in South Dakota and Ohio, use a broader concession authority to manage their hospitality operations in parks.

Current concession rules are geared more toward small concessionaires, such as individuals selling firewood and vending machine food or operating a singular facility in the park, such as a restaurant. Current rules limit a concessionaire in its operations, including the length of contract (five-year maximum), its ability to construct new facilities, and its ability to hire subcontractors. Under the adopted rule, HCR’s management would be exempt from the concession rules and would instead be governed by competitively bid contracts, consistent with Iowa Code section 461A.4(2).

Notice of Intended Action was published in the Iowa Administrative Bulletin as **ARC 2055C** on July 8, 2015. A public hearing was held on July 28, 2015. No public comments were received. This amendment is identical to that published under Notice.

The Natural Resource Commission adopted this amendment on August 13, 2015.

After analysis and review of this rule making, the amendment may have a positive impact on jobs. HCR currently employs 120 to 180 staff (staff numbers vary between summer and winter). There are 20 full-time, salaried department managers, approximately 100 part-time/full-time staff, and approximately 60 seasonal staff. Although future concession management strategies are unknown, it is unlikely staff requirements would fall below these numbers due to the size of the resort and the amenities currently offered. In fact, DNR assumes that a future operator would retain much of the line management and staff to ensure continuity of operations, thereby preserving the employment of local residents. It is more likely that staffing numbers would increase as the resort expands and diversifies its services, which is what the Commission expects of a concession operator.

This amendment is intended to implement Iowa Code sections 461A.4(2), 463C.17, and 456A.24(7).

This amendment shall become effective October 7, 2015.

The following amendment is adopted.

Adopt the following **new** rule 571—14.9(456A,461A,463C):

571—14.9(456A,461A,463C) Honey Creek Resort State Park exemption. The rules in this chapter do not apply to Honey Creek Resort State Park.

[Filed 8/13/15, effective 10/7/15]

[Published 9/2/15]

EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 9/2/15.